



Newsletter

DECEMBER 2017

EDITION 4

WFOA Newsletter is published quarterly for members and friends of the Washington Finance Officers Association.

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PRESIDENT'S MESSAGE

by Jana Brown, WFOA President

The leaves have fallen, the air is crisp, and the holidays and the possibility of snow is upon us. I don't know about you, but this year has been a whirlwind and I don't know where the days have gone!

What I do know is that I really enjoyed the September conference in Kennewick. With Ade's leadership, WFOA provided an exceptional program and supplied quality education that we have grown to appreciate and sometimes take for granted. We are extremely fortunate to have this caliber of training provided at such a low cost. It always amazes me at the end of the week when the conference is over, and I reflect on how robust the programming is and the amount of work everyone contributes to make it a success. Dan Legard and his Local Conference Committee did a grand job at hosting and making sure we were well taken care of. He has an article in this newsletter that tells about some of the highlights and listing statistics that are fun to read. Mickie Cooper, Jack Broyles, and the Education Committee did a bang-up job in putting together over 80 sessions on relevant topics. And I give special thanks to the vendors and the sponsors, who without their support the conference would be either scaled down or would be very expensive to cover all the costs. Either way we would be forced to take out some of the FUN stuff and that would be just plain sad. So, thank you everyone!

In looking forward to 2018, our dedicated Board will continue to work hard towards the goals we set at the beginning of 2017. During the business meeting, I shared the ones I felt to be most important to me; however there are a few more and we will continue our progress in attaining success for them all. Here are the current goals:

- Ensure educational opportunities remain fresh, vibrant, and relevant
This is our number #1 goal – in September we experienced it!
- Evaluate existing Board structure
This was done with the replacement of the Awards Chair with the Professional Development and Sustainability Chair (PD&S). Still a work in progress, but already doing so much (see article on page 6).
- Create/refine (document) internal processes to ensure continuity of operations
This has been done with the creation of the WFOA Policy Handbook and each chair is currently working on a "Deskguide".
- Cultivate organizational leadership
This is being done with the work of the PD&S, along with outreach to local regional finance groups, and within each committee.
- Augment security in regard to WFOA's varied technology platforms
Security measures have been added to the website, Webmaster has been obtained, work progresses as we perform a needs assessment.
- Evaluate and enhance communication to membership
This will continue using every tool available. Outreach at local regional finance groups, website, Facebook, LinkedIn, and with the newsletter.

Along with these goals, we will begin the new process of working with our conference planner, Conference Solutions LLC, and making the transition of handing off some of the responsibilities to a professional. Exciting stuff!

As always, we would welcome any of your suggestions on how to best fulfill the WFOA mission.

(Continued on next page)

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2017 CONFERENCE REPORT



by **DAN LEGARD**
2017 Conference Chair

I hope you enjoyed this year's 62nd annual WFOA conference held at the Three Rivers Convention Center in Kennewick September 12 – 15. The event was a great success!

Thank you to the 676 registered attendees and 39 vendors who attended and participated in the conference this year including our distinguished guests from Oregon, California, Alaska and the Government Finance Officers Association headquartered in Illinois. This year's conference was one of the largest ever held in Eastern Washington and demonstrated the continued growth and strength of our association. I also want to thank all of the sponsors that contributed to WFOA this year, which enabled us to provide this outstanding education and networking opportunity to our members while still keeping our registration costs extremely low. As I learned first-hand this year, WFOA's annual conference truly wouldn't be possible without this support. A special acknowledgement is also in order for the Conference Education Committee, chaired by Mickie Cooper, who did an incredible job developing a diverse program of interesting and relevant educational sessions and high quality speakers for this year's conference. The training opportunities offered throughout the week were truly exceptional.

The 2017 Local Conference Committee took a great deal of pride this year in showcasing to our fellow WFOA members the best of what the Tri-Cities region and Kennewick has to offer. Whether it was planning unique opportunities like the Hanford B Reactor tour, evening social events, or this year's wellness walk near Kennewick's 9 11 Memorial, the committee was dedicated to giving the conference a local flavor and put in countless hours ensuring it was a success. I can't possibly thank each member of the committee enough for their time, energy and hard work. It's truly astonishing how much was accomplished by the committee, especially when considering it was all done on a volunteer basis. I also want to give special thanks to outgoing President Ade' Ariwoola for his leadership and support to both the committee and me personally.

Lastly, I want to personally thank everyone for the opportunity to represent WFOA and the Tri-Cities region as the 2017 Conference Chair. When WFOA Past-President Dan Underwood and others approached me at the 2014 WFOA Conference in Yakima about the opportunity to become the Conference Chair for 2017, I can honestly say that I didn't realize the full extent of what I was signing up for. And, I'd be lying if I said that I didn't have moments over the course of the last year where I questioned what the heck I was thinking on that day back in 2014 when I said yes! However, it truly was an honor and a very rewarding experience to help plan and host the 2017 conference and be a part of the WFOA Board and I am grateful to Dan for helping me to get involved. I would strongly encourage you all to seek out opportunities to become active in WFOA and contribute to the future of our Association.

President's Message . . .

(Continued from page 1)

There are many ways to do so. The best and most effective would be for you to join one of our many committees. We are always looking for members who come with enthusiasm and a desire to make things better. It doesn't require a large time commitment, just contact anyone on the Board and we can help connect you to the right committee to suit your abilities and available time. You can also reach us via the "About WFOA" page on our WFOA website. There is a "Get Involved" form you can submit directly and we will respond right away.

Again, I would like to convey how honored I am to be your leader for this next year. I hope that I can serve as well as those who have gone before me. I am following some very large footprints and I must say it is a little intimidating. However, please know my heart is in it and I will work very hard to do the best that I can for all of you and for the WFOA organization.

If there is anything you wish to share with me or another Board member, please don't hesitate to reach out! Wishing you all the best as we continue in the holiday season. See you in 2018!

**THANK YOU TO
OUR 2017 CONFERENCE
PLATINUM LEVEL SPONSORS**



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FARGO**

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OUR 2017
CONFERENCE
DIAMOND LEVEL
SPONSOR**



Other Post-Employment Benefits (OPEB) – GASB Statement 75



By **STACIE TELLERS**
Legislative and Professional Standards Chair

The Governmental Accounting Standards Board (GASB) Statement No. 75 implementation date is quickly approaching. Statement No. 75 is applicable for the year ending 2018.

Do you have OPEB? What qualifies as OPEB? When do I have to calculate OPEB?

- Post-employment benefits are benefits such as:
 - healthcare: medical, dental, vision; death benefits.
 - life insurance, long-term care, or any other benefit offered to retired employees.
- Separate OPEB calculations will be required for healthcare benefits whether or not they are provided as part of a pension plan. (Healthcare is not to be included in the pension reporting).
- OPEB calculations will be required for all other benefits (non-healthcare) UNLESS those benefits are part of a pension plan.

The Office of the Washington State Auditor, aka SAO, along with their implementation groups have been working hard to access all the OPEB offerings across the State. In October an SAO survey was sent in an effort to obtain the following information:

- Who offers OPEB?
- What type of OPEB is offered?
- Which entity types are offering OPEB?

As of October 18, 2017, more than 420 entities had responded to the survey: 60% are cash entities, 40% GAAP. There was an excellent response from cities, counties, school districts, and port districts. This survey will assist SAO in determining who is providing OPEB and how SAO can help with the implementation and reporting.

It is important to note that unlike the pension standard (GASB 68) that there is no central repository of OPEB information. Entities will need to perform their own calculations either by using the alternative method or hiring an actuary.

If you need an actuary, don't wait! You need to begin the work now in order to have your information available for 2018 financial statements.

For more information check out these resources:

[State Auditor OPEB Page](#)

[GASB Implementation Guide - OPEB - Page](#)

[KPMG OPEB Implementation Webinar](#)

WFOA Board is Saying Farewell and Best of Luck to One of Our BEST Friends

By **JANA BROWN**, WFOA President

This fall we said goodbye to Marcie Klobucher, Controller of Municipal Research & Services Center (MRSC). First, let's explain how our WFOA Board works and the role Marcie has played during the past 15 years. The officers and Board of Directors are mainly elected to term positions and over the years we have had Board members come and go. However, there are representatives from the State Auditor's Office, State Treasurer's Office and MRSC that could be filled consistently over the years without change. Marcie represented MRSC on the Board and she has supported me and the 15 past presidents who have gone before me. Wow, that's a lot of personalities!

MRSC is WFOA's partner in providing our Board and all our members a wide range of services. MRSC performs accounting for membership, sets-up registration for both the annual conference and non-conference training, administers all email notifications, maintains our archives, provides the historical information for just about everything WFOA and provides countless hours of support.

As someone who has been on the Board for a number of those years, I can say on behalf of the Board we are going to miss Marcie immensely! I am sure MRSC will have someone who will be fully qualified and capable of filling her position, but the bar has been set high! It is with deep gratitude for her kindness and unwavering support over these past years, that we want to wish her all the best as she moves on to her next endeavor. We also hope we get a chance to see her very soon. We are going to miss her!



Marcie Klobucher

THANK YOU TO OUR 2017 CONFERENCE GOLD LEVEL SPONSORS

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MEET OUR NEWEST BOARD MEMBERS!



Forrest Smith

FORREST SMITH: Forrest is our 2019 Conference Chair. He is the Finance Director from Yakima County Department of Corrections and conferencing is not new to Forrest. He has been on the local conference committee for the 1999, 2002, 2008 and 2014 Yakima conferences and really played a key role along with Craig Warner during the last two. So, it made perfect sense that Craig would elect Forrest to be his conference chair for 2019. Who is Forrest Smith, you ask? He grew up in Yakima and received his accounting degree at Central Washington University, so he is rooted in Eastern Washington. He has a short history of working at Boise Cascade in Bellevue, but then Yakima Valley called him quickly back home. Forrest started out in the Treasurer's Office at the county, moving his way to the Auditor's Office and then settling into where he is today in Financial Services. His main responsibility is for the financial operations of Yakima County's Department of Correction, a \$29 million annual operation. WFOA has been a partner with Forrest along the entire way, attending many many non-conference training events and the annual conference each year.

On the personal side, Forrest has a love of family and music. He has always been involved with music since his college days where he sang in the choir. He has sung the national anthem at our WFOA 2002 conference, minor league sport games and at church. He even sent in an audition tape to the Seattle Sonics, but never heard back. When they do come back to Seattle, he may have to try again! The most important for last.... his family. Forrest is married with six children between him and his wife; two of which are a set of twins. I would say Forrest knows how to juggle things and stay busy. When asked he will talk about the best part of his family – the newest family member, his grandson who just turned 4!



Beth Wright

BETH WRIGHT – Beth is our new Education Committee Co-Chair. She is also an Eastern Washington native! She grew up in Moses Lake, yet unlike Forrest she has made it over the pass, but not too far! Beth is currently the Deputy Finance Director at the City of North Bend and she has been a member of WFOA since she began her career in government finance over 15 years ago. Then in 2010 she began her journey onto the Board by joining the Education Committee where she participated annually at the conference first with moderating and then slowly getting more involved by scheduling speakers, working the Education Committee table and working behind the scenes. Like many, she has reaped the benefits of getting involved with WFOA and experienced firsthand the fun of volunteering.

In her new role, Beth will focus on facilitating the non-conferencing training we hold all over the state of Washington and webinars obtained right from your desk. This is a very busy position on the WFOA Board and Beth is up to the challenge, but she will need all our help with this endeavor. If you have ideas, want to help coordinate or would like training in your area be sure to reach out to Beth. In her personal life Beth enjoys many activities. For years, Beth was a lead singer in a band called "Peggy Sue and the Wrecking Crew." She is a horse barrel racer, her and her husband enjoy classic cars, riding motorcycles and traveling often to see friends and family across the nation but mostly in Texas. They are parents of four children and grandparents to two.

2018 Legislative Priorities: Cities and Counties

By **STACIE TELLERS**

Legislative and Professional Standards Chair

The Association of Washington Cities (AWC) and The Washington State Association of Counties (WSAC) recently published their 2018 legislative priorities.

[AWC 2018 Legislative Priorities](#)
[WSAC 2018 Legislative Priorities](#)



AWC is focused on housing conditions, economic development, mental health and chemical dependency programs, preservation of state-shared revenues, and increasing law enforcement training funds. WSAC is focused on funding for indigent defense, rural water solutions, public health services, and property tax revenues.

Everyone is concerned about the State Capital Budget and seeking a swift adoption. The 2017 legislative session was the longest session in state history. We can hope that 2018 will move quicker and find resolution to critical issues.

THANK YOU TO OUR 2017 CONFERENCE SILVER LEVEL SPONSORS



LEOFF Plan 2 Employers Payment of the State Contribution

By **STACIE TELLERS**

Legislative and Professional Standards Chair

The passage of the Washington State 2017-2019 operating budget included a provision that makes LEOFF Plan 2 employers responsible for payment of both the employer and the state contributions when a LEOFF Plan 2 employer receives compensation for services provided to a Non-LEOFF Plan 2 employer. This change was effective July 1, 2017.

The Department of Retirement Systems (DRS) immediately began working on a process for LEOFF Plan 2 employers to report their payment of the state contribution via the DRS Eservices portal.

The three questions you must ask yourself:

- 1) Were LEOFF Plan 2 employees services rendered to a Non-LEOFF Plan 2 Employer?
- 2) Did the LEOFF Plan 2 employer pay the LEOFF Plan 2 employee for the outside service and report the compensation as basic salary?
- 3) Did the LEOFF Plan 2 employer receive a fee from the Non-LEOFF Plan 2 employer?

If you answer YES to ALL 3 questions your entity has the responsibility of paying the state LEOFF Plan 2 contribution rate (currently 3.5% of reportable compensation).

DRS communications:

[July 25, 2017 Notice of Change](#)

[DRS Notice of E-Services and Training Update](#)

DRS communications help to answer some of the questions; however it is highly recommended that you reach out to DRS for your specific questions.

SAO Gives Governments Resources on Capital Assets Accounting

from the State Auditor's Office

Accounting for capital assets is an area of difficulty for many governments. General purpose governments have been reporting infrastructure assets for more than a decade because of Governmental Accounting Standards Board (GASB) Statement No. 34. This pronouncement required the reporting of many more assets than had been previously reported, including some with their own unique challenges such as roads.



The challenges to accurate reporting include voluminous records, limited information about older assets, decentralized information affecting accounting and limited resources. Capital assets are an important part of a government's operations, budgeting and financial statements. Properly accounting for these assets, and the liabilities that finance them, is important to presenting an accurate picture of the government's net position (equity) and financial condition.

To help governments with this challenging area, the State Auditor's Office recently updated guidance for capital assets in the [Budgeting, Accounting and Reporting Systems \(BARS\) Manual](#) for governments reporting in accordance with generally accepted accounting principles (GAAP). Capital asset guidance that previously was split into nine different sections (3.3.1 – 3.3.7 and 4.2.5 – 4.2.6) was consolidated into three sections (3.3.9 – 3.3.11). While content has not fundamentally changed, most topics were updated and re-written to improve guidance and match the current environment and user needs. In particular, internal control guidance was expanded to help local governments with management of capital assets.

In addition, the State Auditor's Office recently published a new checklist, which is available on its [website](#). This checklist for managing capital assets provides information about best practices to ensure capital assets reported on the financial statements are complete, accurate, properly valued and correctly classified, and that the costs are allocated over the appropriate fiscal periods. Local governments can use this example internal control checklist as a resource to develop policies and procedures that address the deficiencies most often noted by the Office's audits.

An eLearning resource on capital asset management has been posted in the State Auditor's Office [Online Training Library](#); this resource discusses why capital asset management is important, key aspects of capital assets records and accounting, and fraud schemes related to capital assets. Governments may also submit specific questions about accounting for capital assets to the State Auditor's Office HelpDesk through Online Services on its website.

THANK YOU TO OUR 2017 CONFERENCE BRONZE LEVEL SPONSORS



Professional Development and Sustainability Committee Update



By **SADIE ARMIJO**
Professional Development and Sustainability Chair

As many of you know, it can be very challenging for governments to recruit qualified workers. In the past several months, the Professional Development and Sustainability Committee (PDASC) has performed outreach at seven fall recruitment events at universities around Washington:

- Central Washington University – Ellensburg and Des Moines campuses
- University of Washington – Bothell and Tacoma campuses
- Two events at Western Washington University
- Saint Martin's University

At these recruitment events, committee volunteers share experiences in government finance, explaining to students the opportunities that government jobs can offer and the value of public service. We also discuss WFOA internships, scholarships and current jobs available on the WFOA website. Some of the biggest value of these recruiting events comes from talking to students, learning what they are looking for in a job and what professional development they want to experience. This knowledge will help WFOA member attract applicants by providing what they want now and in the future.

I applaud all of our WFOA committee volunteers' efforts to get out there and ensure that students see government jobs as opportunities where they can learn and grow. Moving forward, we plan to continue our outreach, which will include community colleges. If you would like to support our committee by participating in student recruitment and attending an event in your area, please contact me at (360) 902-0362 or Sadie.Armijo@sao.wa.gov.

Conference Solutions is On-Board!



By **CRAIG WARNER**
President Elect

What do Yakima, Vancouver, Tacoma, Spokane and Kennewick all have in common? They are the five destinations still cost-friendly and large enough to host the annual WFOA Conference! The growth in attendance is proof of the value of the training and networking of the WFOA Annual Conference. But there is also a down side. These five cities and their surrounding jurisdictions have been asked time and again to supply the volunteer labor necessary to put on the annual conference. The WFOA Board decided this needed to change and professional support would be the solution.

After issuing a Request for Proposal for services, the WFOA Board unanimously selected Conference Solutions out of Portland, Oregon, to begin providing services to the future conference locations for 2018 (Vancouver) and 2019 (Yakima). Conference Solutions is a collaborative conference and association management firm that has been in business since 1999 supporting organizations like WFOA that need additional services to support their volunteer base.

Jubilee Vigna, a Certified Association Executive (CAE) from Conference Solutions, attended the recent conference in Kennewick to have an up close and personal look at our annual conference and the many facets that take place during the weeklong event. Jubilee was very impressed that an event this large could be done with all volunteers. After spending a couple of hours talking to Jubilee at the conference, listening to her questions and ideas, I believe WFOA is in wonderful hands for the future of our Association. I would like to welcome Jubilee and Conference Solutions to WFOA and I look forward to many great conferences in the future.



WASHINGTON REGIONAL FINANCE OFFICER GROUPS

Sno-King Utility Finance Officers

Quarterly: as announced
Contact: Robert Wagner
360-668-6766 ext.103
robertw@crossvalleywater.net

Puget Sound Finance Officers Association

2nd Wednesday of February-March, May-August, October-December
Contact: Kim Krause
206-439-3150
kimk@burienwa.gov

Olympia AGA

(www.aga-olympia.org)
Monthly – as announced
Contact: Stefanie Niemela
360-725-4402
stefanie.niemela@del.wa.gov

Eastern Washington Finance Officers Association

Second Friday in May & October
All-day workshop
Contact: Marsha Peterson
509-745-8871
waterville@nwi.net

Southwest Washington Finance Officers

Feb., May, & Nov. (location TBA)
Contact: Mari Ripp
360-225-8281 x114
rippm@ci.woodland.wa.us

Central Washington AGA

Monthly: Second Wednesday, noon
Contact: Judy Pless
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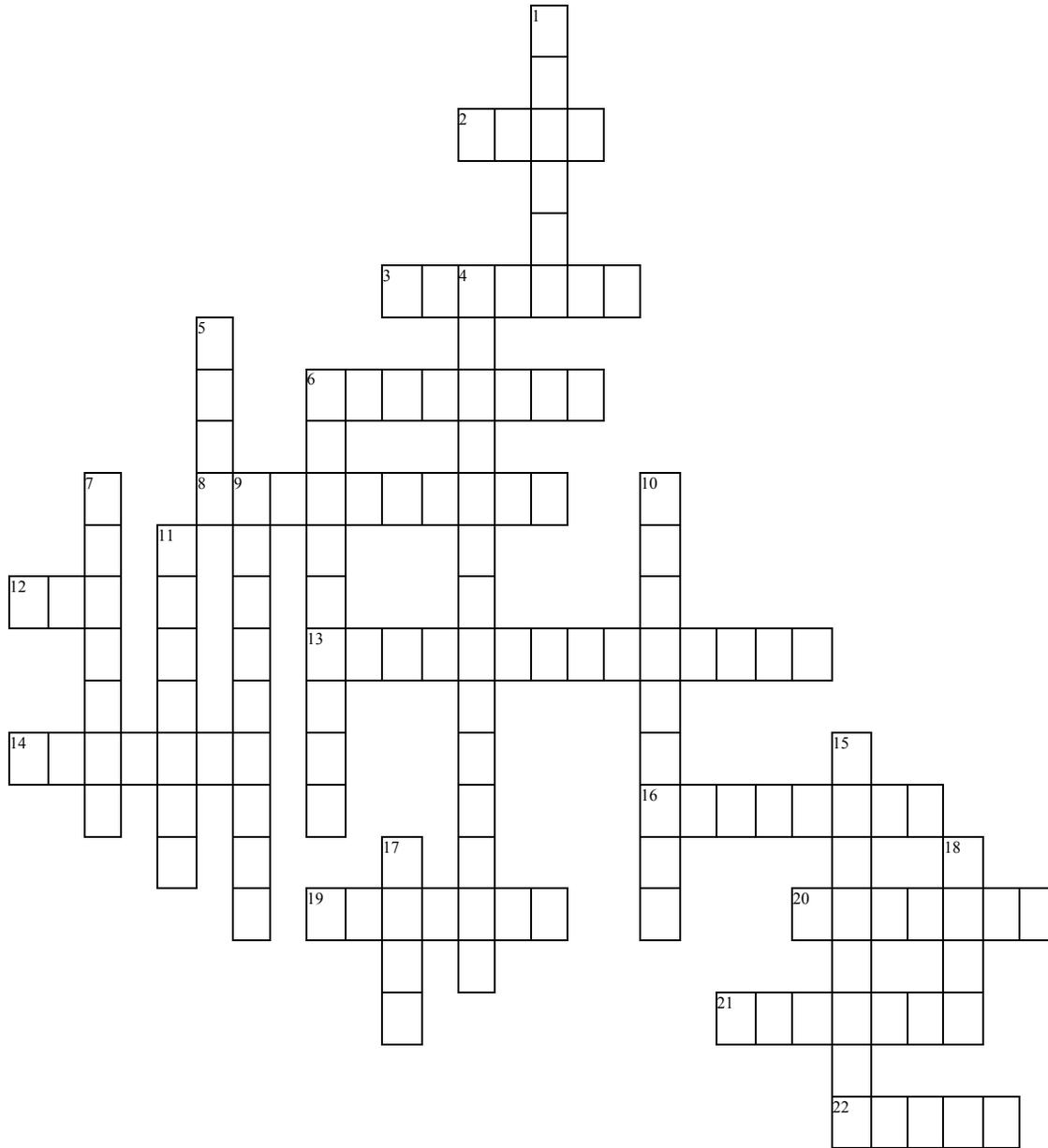
2018 WFOA 63rd Annual Conference

Sept. 18 - 21, 2018

Hilton Vancouver
Convention Center
Vancouver, WA 98660

[More information](#)

WFOA DECEMBER NEWSLETTER PUZZLE



ACROSS

- 2. SAO updated ___ manual to help with capital assets
- 3. PDASC did two outreach events at ___ WA University
- 6. President Jana gave a special thanks to vendors and ___
- 8. OPEB includes ___ benefits
- 12. ___ Legard was recruited by ___ Underwood to serve as Conference Chair
- 13. GASB34 requires the reporting of ___ assets
- 14. 2019 Conference Chair: ___ Smith
- 16. A WSAC Legislative priority: ___ defense
- 19. Stacie reports that everyone is concerned with this budget
- 20. An AWC Legislative priority: ___ conditions
- 21. Attended our conference to see how her company can help
- 22. DRS has new rules - ___2 compensation contributions

DOWN

- 1. WFOA said farewell to this longtime board member
- 4. Awards chair replaced w/Professional Development and ___
- 5. New Education Co-Chair: ___ Wright
- 6. They will help us with future conferences. Conference ___
- 7. Our 2017 Conference had 39 ___
- 9. WFOA's number one goal
- 10. SAO published a ___ to help with capital asset reporting
- 11. One of UW Campuses where PDASC did outreach
- 15. Conference wellness walk was near Kennewick's 9-11 ___
- 17. GASB 75 topic (no, minutiae is not the answer)
- 18. We use ___ cities for our conferences

Here's the puzzle phrase (below). Send your answer (just the phrase, I don't need to see the whole puzzle) within 2 weeks to speigle@comcast.net for your chance for the fabulous prize... a \$5 Starbucks gift card. The clues below are the First (F) or Last (L) letters in the word from the puzzle, or for the letter where 2 words intersect (X). Good luck!